IN THE CLAIMS:

Please amend claims 25 and 77 to read as follows:

25 (twice amended). A method of targeted sequence alteration of a nucleic acid present within selectively enriched cells, cells in culture, or cell-free extracts, comprising:

combining the targeted nucleic acid in the presence of cellular repair proteins with a single-stranded nonhairpin oligonucleotide 17 - 121 nucleotides in length, said oligonucleotide having a domain of at least 8 contiguous deoxyribonucleotides,

wherein said oligonucleotide is fully complementary in sequence to the sequence of a first strand of the nucleic acid target, but for one or more mismatches as between the sequences of said deoxyribonucleotide domain and its complement on the target nucleic acid first strand, each of said mismatches positioned at least 8 nucleotides from said oligonucleotide's 5' and 3' termini;

wherein said oligonucleotide has at least one terminal modification selected from the group consisting of: at least one terminal locked nucleic acid (LNA), at least one terminal 2'-O-Me base analog, and at least three terminal phosphorothioate linkages, and

wherein said cultured or selectively enriched cells are not human embryonic stem cells.

75 (twice amended). A method of targeted sequence alteration of a nucleic acid present within selectively enriched cells, cells in culture, or cell-free extracts, comprising:

combining the targeted nucleic acid in the presence of cellular repair proteins with a single-stranded nonhairpin oligonucleotide 17 - 121 nucleotides in length, said oligonucleotide having a domain of at least 8 contiguous deoxyribonucleotides,

wherein said oligonucleotide is fully complementary in sequence to the sequence of a first strand of the nucleic acid target, but for one or more mismatches as between the sequences of said deoxyribonucleotide domain and its complement on the target nucleic acid first strand, each of said mismatches positioned at least 8 nucleotides from said oligonucleotide's 5' and 3' termini;

wherein said oligonucleotide has at least one terminal modification, said oligonucleotide includes the sequence of any one of SEQ ID NOs: 1 - 4340, and said cultured or selectively enriched cells are not human embryonic stem cells.

REMARKS

Telephonic interview

Applicants thank the Assistant and Primary Examiners for the courtesy extended in a telephonic interview held March 11, 2003, at which all outstanding rejections were discussed. Attending for applicants were attorneys of record Daniel M. Becker (Reg. No. 38,376) and Hope Liebke (Reg. No. 35,588).